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February 27, 2003

OF COUNSEL
GILBERT L. HETHERWICK
ROBERT ROBERTS III
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Honorable James H. Welsh
Commissioner of Conservation
State of Louisiana
Post Office Box 94275
Baton Rouge, Louisiana 70804-9275

Re: HEARING APPLICATION
Hosston Formation, Reservoir A
Cotton Valley Formation, Reservoir A
Holly Field
DeSoto Parish, Louisiana
Our File No. 370306.0027

Dear Sir:

On behalf of PINNACLE OPERATING COMPANY, INC., application is hereby made for a public hearing to receive evidence concerning the issuance of an order pertaining to the following matters relating to the Hosston Formation, Reservoir A and the Cotton Valley Formation, Reservoir A, in the Holly Field, DeSoto Parish, Louisiana:

1. To permit the applicant to drill, designate and utilize the Pinnacle Operating Co., Inc. - Cook No. 1 Well, at the exceptional location shown on the plat attached hereto, and to designate said well as a substitute unit well for HOSS RA SU20 and CV RA SUC, respectively, in exception to the well spacing provisions of Office of Conservation Order 88-D, effective February 1, 1975 and Order No. 88-E, effective August 1, 1975.
2. To explicitly find that the abovesaid well is necessary to drain a portion of the Hosston Formation, Reservoir A, and Cotton Valley Formation, Reservoir A, in the Holly Field underlying HOSS RA SU20 and CV RA SUC, respectively, which cannot be efficiently and economically drained by any existing well in such units.
3. To consider such other matters as may be appropriate and justified by the evidence presented at the hearing.

Conservation Commissioner
February 27, 2003
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The Hosston Formation, Reservoir A, in the Holly Field, DeSoto Parish, Louisiana, was fully defined in Office of Conservation Order No. 88-D, effective February 1, 1975.

The Cotton Valley Formation, Reservoir A, in the Holly Field Field, DeSoto Parish, Louisiana, was fully defined in Office of Conservation Order No. 88-E, August 1, 1975.

The Rules of Procedure of the Commissioner of Conservation pertaining to the Pre-Application Notice requirements, are not applicable to the hearing requested herein, which requires legal notice of only ten (10) days.

Pertinent data concerning the intended application will be made available for inspection at the offices of the undersigned. Any person wishing to inspect such data should call the undersigned at (318) 221-6858 during normal business hours or write the undersigned at the above address in order to arrange a date and time for such inspection. A copy of any such pertinent data can be obtained at the expense of the requesting party.

A list of the names and addresses of all Interested Owners, Represented Parties and Interested Parties (as defined in the Rules of Procedure) is attached hereto, and a copy of this notice, with the annexed plats, is being sent to each of such persons. A reasonable effort has been made to determine that the enclosed list includes all of the persons to whom this notice must be sent under the Rules of Procedure.


A check in the amount of \$1,510.00 made payable to the Commissioner of Conservation is enclosed herewith as the statutory fee for holding the requested hearing.

This application is being filed in duplicate, and a copy hereof is being sent to Mr. James C. Broussard, Shreveport District Manager of the Office of Conservation and to each Interested Owner, Represented Party and Interested Party whose name is shown on the attached list.

Very truly yours,

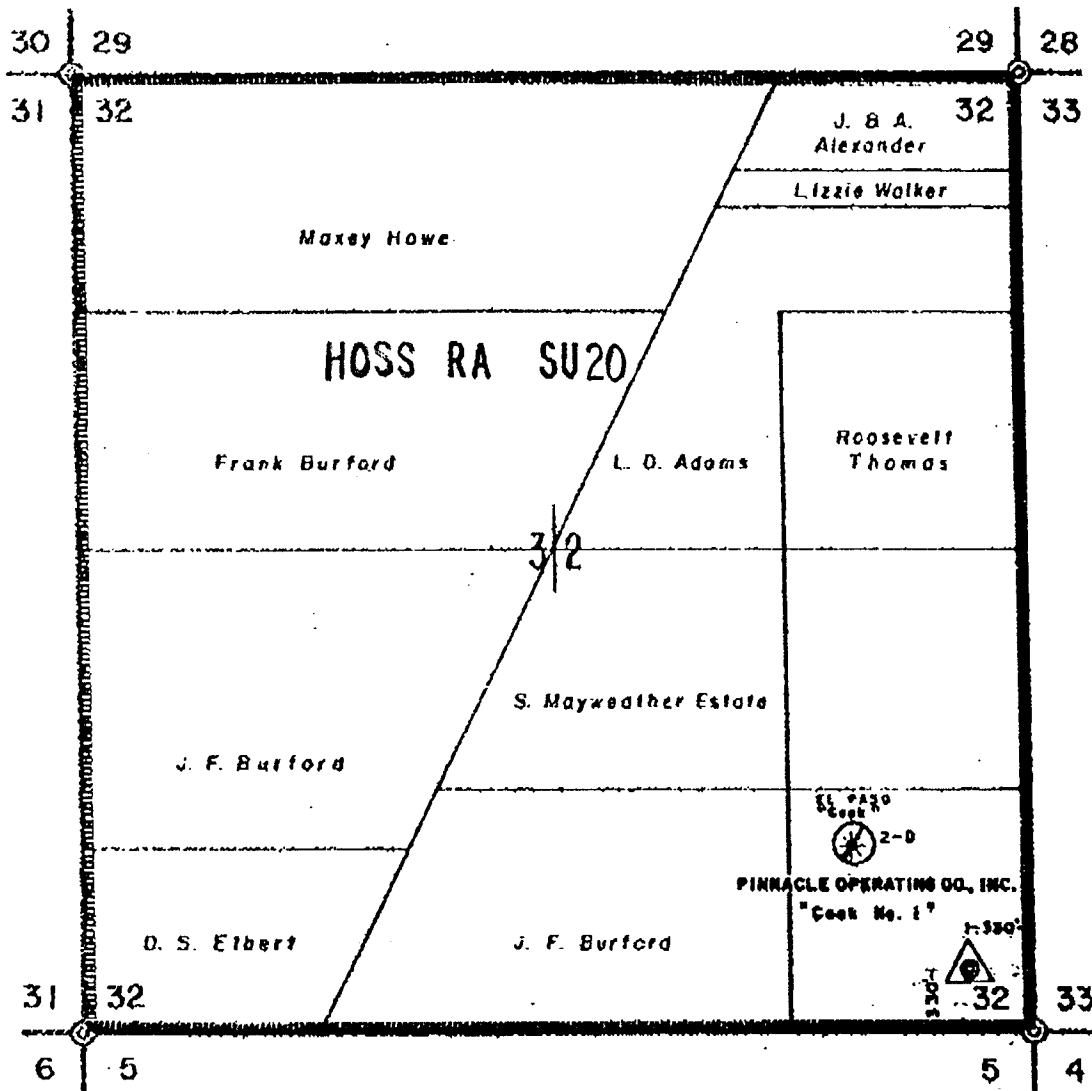
BLANCHARD, WALKER, O'QUIN & ROBERTS

WTAIII/bp
Enclosures

By: 
Wm. Timothy Allen III
Attorneys for Pinnacle Operating Company, Inc.

cc: Mr. James C. Broussard, Shreveport District Manager,
Office of Conservation (w/enclosures)
Interested Owners, Represented Parties
and Interested Parties (w/copy of plats only)

SECTION 32, TOWNSHIP 14 NORTH, RANGE 14 WEST,
DE SOTO PARISH, LOUISIANA.



Docket No.

Order No.

PINNACLE OPERATING CO., INC.

UNIT PLAT

OF

HOSS RA SU 20; COOK No. 1

HOLLY FIELD

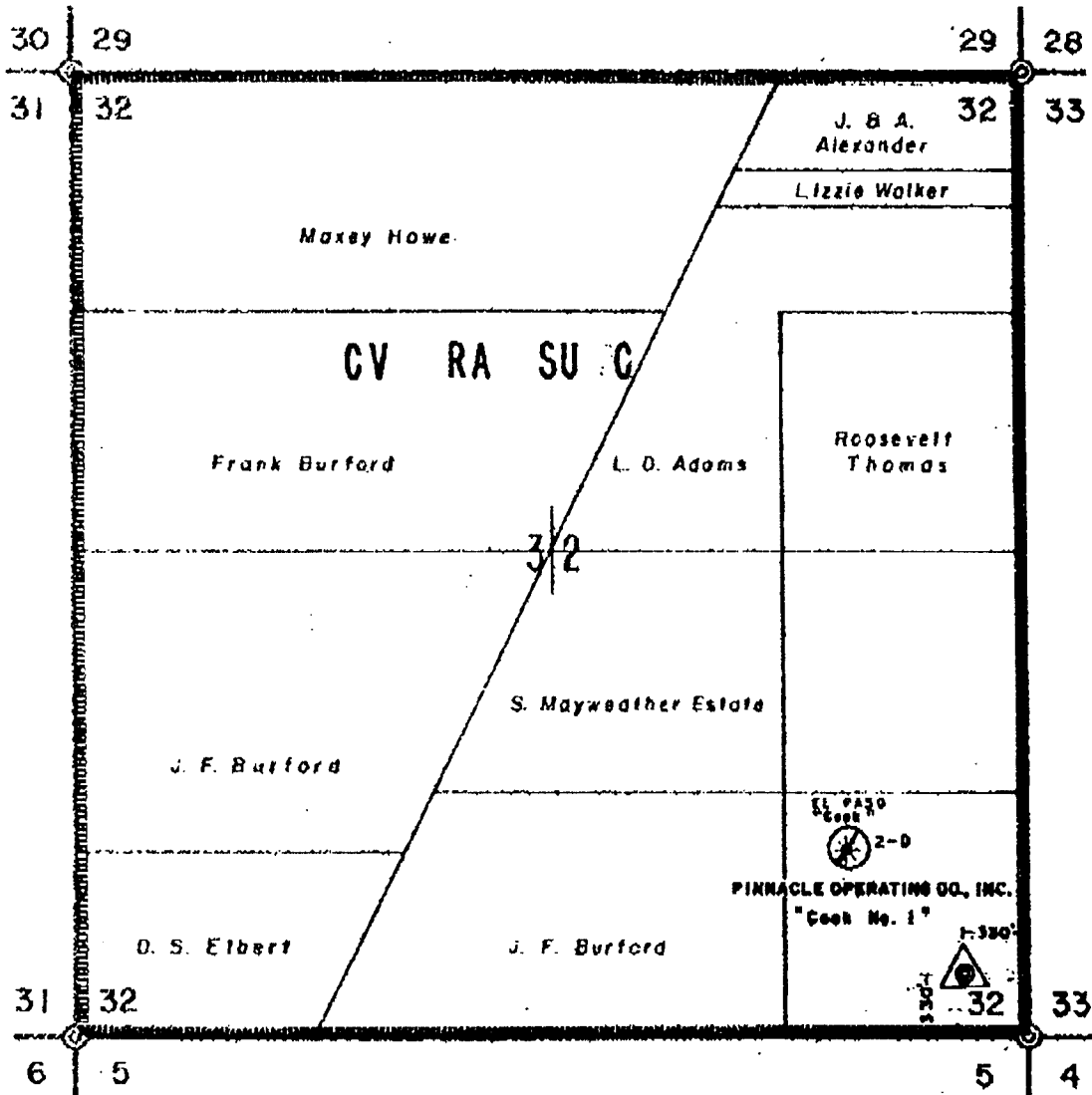
DE SOTO, LOUISIANA

Date: December 3, 2002

Scale: 1" = 1000'

- EXISTING UNIT WELL
- △ PROPOSED SUBSTITUTE UNIT WELL
- ▤ EXISTING UNIT

SECTION 32, TOWNSHIP 14 NORTH, RANGE 14 WEST,
DE SOTO PARISH, LOUISIANA.



- EXISTING UNIT WELL
 △ PROPOSED SUBSTITUTE UNIT WELL
 ■ EXISTING UNIT

Docket No.

Order No.

PINNACLE OPERATING CO., INC.

UNIT PLAT

OF

CV RA SU C; COOK No. 1

HOLLY FIELD

DE SOTO, LOUISIANA

Date: December 3, 2002

Scale: 1" = 1000'